
SENATE COMMITTEE ON EDUCATION

Senator Connie Leyva, Chair
2019 - 2020 Regular

Bill No: AJR 2 **Hearing Date:** June 5, 2019
Author: Voepel
Version: March 7, 2019
Urgency: **Fiscal:** No
Consultant: Olgalilia Ramirez

Subject: The federal Pell Grant Program awards.

SUMMARY

This joint resolution calls upon Congress and the President to increase the maximum Pell Grant from \$6,095 to at least \$ 7,500.

BACKGROUND

Existing federal law, under the Higher Education Act of 1965 established a need-based federal grant program, which with subsequent amendments to the Act, became the Pell Grant program in 1978. (Title 20 U.S. Code Section 1070, et seq.)

ANALYSIS

This joint resolution:

- 1) Resolves that the Legislature respectfully request Congress and the President of the United States to immediately take action to increase the maximum annual amount of the federal Pell Grant Program award from \$6,095 to at least \$7,500 to further help low-income college students alleviate the burden of higher education debt.
- 2) Resolves the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, and to each Senator and Representative from California in the Congress of the United States.
- 3) Makes various findings and declarations, including but not limited to:
 - a) As postsecondary education costs for students have increased over the years, it has become more financially burdensome for students to attend higher education.
 - b) United States employers require job applicants to receive advanced education degrees or credentials more often than they did in the past.
 - c) In the 2018-19 academic year, more than 700,000 students attending higher education in California are receiving Pell grants that total over \$4 billion.

- d) While growth for the maximum award, which is currently \$6,095, has kept with inflation the increase has not kept pace with escalating college costs.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, many Californians' cannot not afford the high cost of tuition, housing and food associated with college attendance. The author further asserts that it is important that the state request the federal government to address this concern.

This measure calls on Congress to increase the maximum Pell Grant to at least \$7,500, which is an additional increase of \$1,405 in the maximum award amount.

- 2) ***Related Pell Grant Program activity.*** On September 28, 2018, President Trump signed H.R. 6157, an omnibus spending bill that set federal funding levels for programs operated by the U.S. Departments of Defense, Labor, Health and Human Services, and Education. H.R. 6157 provided funding for all federal financial aid programs for Federal Fiscal Year (FFY) 2019, beginning October 1, 2018 and concluding on September 30, 2019. Major adjustments to federal financial aid programs for FFY 2019 includes an increase of \$100 in the maximum Pell Grant award from \$6,095 to \$6,195 in the 2019-20 award year beginning July 1, 2019.

The maximum award currently stated in this measure will be obsolete as of June 30, 2019, for this reason ***staff recommends that the resolution be amended*** and updated to reflect the maximum grant for the 2019-20 award year of \$6,195 in lieu of the \$6,095 amount set for the 2018-19 year.

SUPPORT

None received

OPPOSITION

None received

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